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STATE FOR NEA/MAG (MHARRIS AND EHOPKINS)
STATE ALSO FOR H - PLEASE PASS CODEL TANNER

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SUBJECT: SCENESETTER FOR VISIT OF CODEL TANNER

¶11. (U) Embassy Tunis warmly welcomes Representative John Tanner and accompanying members of CODEL Tanner to Tunis from May 30 - June 1, 2007. Tunisian government officials may wish to discuss the latest political, economic and security issues relevant to the US-Tunisian bilateral relationship, as well as regional issues. This cable provides some background information on these themes.

The Bilateral Relationship

¶12. (SBU) Your visit takes place in the context of a long-standing and positive bilateral relationship; the United States was the first Western power to recognize an independent Tunisia in 1956. Recent high-level visits include the February 2006 visit by former Secretary of Defense Rumsfeld and a May 2006 visit by then-Deputy Secretary of State Robert Zoellick. More recently, the Vice

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Chairman of the Joint Chiefs of Staff Admiral Edmund Giambastiani visited and Tunisia hosted the 22nd US-Tunisia Joint Military Commission (JMC) meetings, both in May 2007.

Socio-Economic Context

¶13. (SBU) Tunisia proudly -- and justifiably -- calls itself a "country that works." Despite Tunisia's relatively small economy and lack of natural resources, the Tunisian government has proven itself capable of providing basic education, health care, housing and a workable infrastructure to its population. Tunisian women enjoy more rights and opportunities than in any other Muslim country. As a result of these policies, the majority of Tunisians are generally moderate and desire a government intent on modernizing the country and integrating it fully into the world economy.

¶14. (U) Tunisia has the most diversified economy in the region and enjoys one of the highest standards of living on the entire continent. The country does not have vast reserves of hydrocarbons like its neighbors Algeria and Libya but has prospered under long-standing government policies to develop manufacturing industries for export and to promote tourism. The Government of Tunisia (GOT) also seeks to attract foreign direct investment and strengthen its traditional agricultural sector. Thanks to these policies, Tunisia's economy has maintained average annual growth rates of almost five percent over the past ten years. At the same time, social programs limit population growth, provide a high standard of education, and ensure a relatively decent standard of living

for all. The average annual income is approximately US \$3000. The United States hopes Tunisia will be part of President Bush's vision of a Middle East Free Trade Area, but even the preliminary Trade and Investment Framework Agreement (TIFA) has not produced tangible results, in part due to Tunisian concerns about rapid economic liberalization.

Political Overview

15. (SBU) Tunisia is a constitutional republic with a population of approximately 10 million, dominated by a single political party, the Democratic Constitutional Rally (RCD). Zine El Abidine Ben Ali has been the president since 1987. Although three opposition parties contested the October 2004 presidential election, official results indicated that President Ben Ali won approximately 94 percent of the registered popular vote. The official turnout was reportedly higher than 90 percent of registered voters, although there were indications that voter turnout figures were artificially inflated. Tunisia has a bicameral legislature. In addition to the Chamber of Deputies, a second legislative body, the Chamber of Advisors, was created in a 2002 referendum amending the Constitution. The legislature plays a limited role as an arena for debate on national policy but never originates legislation and virtually always passes bills presented by the Executive with only minor changes. National elections - both presidential and legislative - will be next held in 2009.

16. (SBU) Political liberties remain tightly controlled and civil society development is stifled. Tunisia's sluggishness on political reform has been a point of contention in the US-Tunisian relationship in recent years. Although President Ben Ali has introduced some positive political reform steps in the past two years (pardoning some political prisoners, lifting a form of censorship for print media, registering a new political party and independent media outlets), civil society and human rights groups remain deeply cynical and continue to report many instances of government harassment, intimidation, and limits on their activities. Journalists reject the suggestion that press censorship has ended and local media usually lacks any meaningful coverage of domestic political issues. In the 2006 Reporters Without Borders Worldwide Press Freedom Index, Tunisia was ranked 148 out of 168.

Security Situation

17. (SBU) There is a threat of terrorism in Tunisia, particularly in light of the recent establishment of al-Qaeda in the Islamic Maghreb (AQIM). In January 2007, the Government of Tunisia announced that Tunisian security forces disrupted a terrorist group in December 2006/January 2007, killing or capturing many individuals who reportedly planned to carry out acts of violence in Tunisia. The US Embassy in Tunis was reportedly among the group's intended targets. In 2002, a faction of al-Qaeda claimed responsibility for an attack on the Ghriba synagogue on the southern island of Djerba, the first al-Qaeda related terrorist attack after September 11.

18. (SBU) The Government of Tunisia remains concerned about signs of increasing Islamic extremism and considers external security as one of its major priorities. Therefore, it places a high value on its historic and robust military-military relationship with the United States. Unfortunately, and against the backdrop of a very limited national budget, new equipment is needed to match the evolving and common threat of transnational terrorism. At present, Tunisia receives approximately US \$8 million in Foreign Military Financing (FMF), nearly all of which is used for the partial maintenance of its aging fleets of US-origin equipment. FMF is expected to drop dramatically in FY-08 to approximately US \$2 million, which will make any significant

recapitalization of the Tunisian Armed Forces problematic, unless additional third country financing is secured.

¶ 9. (SBU) That said, Tunisia has been and remains an active participant in United Nations Peacekeeping Missions, including in the Democratic Republic of the Congo (DROC), Ethiopia and Eritrea. The GOT is supportive of several military issues of mutual interest, takes part in NATO seminars and activities, and is extremely appreciative of US assistance (which includes IMET, USEUCOM Humanitarian Assistance, counterterrorism related seminars, and other activities). In fact, the GOT reciprocated the USG's past generosity with a symbolic gesture of two C-130 loads of humanitarian assistance in the wake of Hurricane Katrina. The Tunisian Red Crescent's gifts included blankets, tents, diapers, detergent, blankets, and water; in total, some 20 tons of supplies.

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